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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/771,135	01/27/2001	Stephen D. Messer	1776-015	6726

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EXAMINER
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LE, KHANH H

ART UNIT	PAPER NUMBER
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3622

DATE MAILED: 10/07/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/771,135

Applicant(s)

MESSER ET AL.

Examiner

Khanh H. Le

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 12 July 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-7 and 9-50 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-7, 9-50 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

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### **Detailed Action**

#### ***Continued Examination Under 37 CFR 1.114***

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 7/12/05 has been entered.

Claims 1-7, 9-50 are now pending. Claims 1, 13, 17, 21, 24, 36, 40, 47, 48, 49, 50 are independent.

#### **Claim Rejections - 35 USC § 101**

2. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

3. The rejections of claims 24-35 and 40-46 under this section are withdrawn following amendment of independent claims 20, 40, and 44.

#### **Response to Arguments**

##### **4. Challenges to Official Notices :**

As to Applicants' arguments that the Examiner is nonsensical by stating that Applicants' challenge to the Officially Noticed facts is inadequate because Applicants did not state why these facts are not well-known (earlier, Applicants only traverse the Official Notices and request supporting evidence) it is noted the Examiner is just applying MPEP 2144.03 which states:

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“To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art.” If Applicants disagree with this section of the MPEP, this is an issue for appeals.

All Applicants had to do was to state why they consider the facts taken notice of are not "common knowledge" or "well known in the art". For example they could state that only experts knew of these facts at that time, or that there is no mention of these facts in certain databases prior to the filing date or that the "facts" are actually wrong. Since Applicants did not do this, the challenge is maintained to be inadequate and the common knowledge or well-known in the art statements by the Examiner are taken to be admitted prior art, as stated earlier.

Further the Examiner's position is not as nonsensical as Applicants argue, unless Applicants never want an allowance since allowing means a finding that "something is not in the prior art" that Applicants now state is an impossible task.

As to the request for support for the officially noted fact that it is “well-known to use different mathematical algorithms to share commissions between different referring parties”, it is noted, that Landau col.16 lines 55-58 also provides such support. In Landau a commission of 15% is being divided in 3 (a mathematical algorithm) into 5% for the RF, 5% for the EM1, and 5% for the clearing house. because it is probably “so desired, to conform to whatever sharing arrangements are commercially viable in the market place and acceptable by the parties” as stated in previous Office Actions.

#### **5. Challenges to Prior Art rejections :**

As to the argument that Landau does not compensate both RF and EM1 for transactions at EM2, it is noted that col.16 lines 55-58, read together with the explanations given in columns 19-18, specifically show both RF and EM1 to be compensated : 5% to RF and 5% to EM1 for a transaction at EM2 where EM2 pays a total fee of 15% (with fred.com being the RF, CD

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Merchant.com being EM1, MusicMemorabilia.com being EM2 ) Thus the rejection under 35 USC § 102(e) is maintained.

Thus the following is a repeat of the last prior art rejections.

***Claim Rejections - 35 USC § 102***

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. **Claims 1- 13, 17-21, 24-30, 36, 40-44, 47-50 are rejected under 35 U.S.C. 102(e) as being anticipated by Landau et al., US 6804,9660 B2, herein Landau.**

**Hereinafter, the following nomenclature will be used for ease of discussion:**

RF is the first referring party providing the first referring link to the first merchant e-site  
EM1 is the first merchant e-site providing the second referring link to the second merchant e-site.

EM2 is the second merchant e-site providing the third referring link.

**Summary of the independent claims in the instant application:**

Method claim 1 and its parallel network claim 24 involve compensation of RF and EM1 (i.e. 1<sup>st</sup> and 2<sup>nd</sup> referring parties) for transactions made at EM2.

Method claim 13 involves a larger network with many EM1's and EM2's, with the RF's parties, being outside of the group of e-merchants, compensated for transaction at EM1's ; then EM1's and EM2's are compensated for transactions at EM2's. It is noted that the legal status of the RF's parties, being outside of the group of e-merchants, or not is not determinative of patentability.

Method claim 17 includes the same limitations as claim 13 with links and identifiers of EM1's and EM2's and storing of those links.

Method claim 21 and its parallel system claim 44 involve a user buying at EM1, upsell from EM1 to EM2, buyer buying at EM2, compensate as follows:

if EM1 is the only referring party, all commissions to EM1. If EM1 owes commissions to another RF then part of commission to EM1 and part to the other RF.

Thus,

As to claims 1-13, 17, 21, 24, 36, 40, 44, 47-50, LANDAU discloses

LANDAU discloses a network of affiliates to EM1, EM1's serving as affiliates to EM2's, links and identifiers of RF's and EM1's and the storing of those links, providing a first link to reach a first e-site (EM1) , then the first e-site providing a second link to reach a second e-site (EM2) from EM1, (see at least Fig. 7 and associated text ; col. 15 lines 66 to col. 20 line 2: for example, referring to the discussion in cols. 17-18, fred.com could be the RF, CD Merchant.com could be EM1 , MusicMemorabilia.com could be EM2).

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As to claims 19 and 42, LANDAU discloses  
secondary referral processing module directs the user from said first e-commerce merchant to said second e-commerce merchant through a clearinghouse server and stores, at said clearinghouse server, primary and secondary source identifiers associated with any primary and secondary referral links utilized by said user to reach said second e-commerce merchant. (see at least Fig. 7 and associated text ; col. 15 lines 66 to col. 20 line 2: for example, referring to the discussion in cols. 17-18, fred.com could be the RF, EM1 could be CD Merchant.com, EM2 could be MusicMemorabilia.com with the clearinghouse server being Essociate).

As to claims 18-20, 41-43, LANDAU discloses embedding primary (fred.com) and secondary source identifiers (CD) associated with any primary and secondary referral links used by the user to reach EM1 in a navigational link used to reach EM2 (see at least col. 18 lines 9-10).

As to claim 25-28 (dependent on claim 24), LANDAU discloses  
said merchant enrollment processing module includes a  
merchant identification module that assigns a unique  
merchant identifier to each newly enrolled merchant.

a module that provides tracking software for installation at  
enrolled e-commerce merchants.

said affiliate enrollment processing module includes an affiliate identification module that assigns a unique affiliate identifier to each newly enrolled affiliate.

And said primary referral links each include an affiliate identifier (see at least Fig. 7 and associated text).

As to claim 29,30 (dependent on claims 24, 29) LANDAU discloses

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said commission processing module and enrollment processing modules are hosted by a network-connected clearinghouse server, separate from said enrolled e-commerce merchants (see at least Fig 7 and associated text: Essociate.com is such a clearinghouse server).

***Claim Rejections - 35 USC § 103***

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. **Claims 14-16, 22-23, 31-35, 37-39, 45-46 rejected under 35 U.S.C. 103(a) as being unpatentable over Landau.**

As to claims 14, 31, 33 (dependent on claim 31), 37 involving commission splitting assigning equal shares of said split commission to said affiliate and said enrolled e-commerce merchants;

as to claims 15, 23, 34, 38, 46 involving means for assigning a majority portion of a commission associated with the completion of said e-commerce transaction to said primary referral source and assigning a minority portion of said commission to said secondary referral source; and,



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and as to claims 16, 22, 35, 39, 45, involving means for assigning a majority portion of a commission associated with the completion of said e-commerce transaction to said secondary referral source and assigning a minority portion of said commission to said primary referral source,

as far as the percentage of commission split, LANDAU discloses an example of a split between several parties (see at least col. 16 lines 52-62 ) but does not specifically disclose the percentages as claimed above. However, Official Notice is taken that it is well-known to use different mathematical algorithms to share commissions between different referring parties. For example between two parties, an equal split is well-known. Therefore it would have been obvious to one skilled in the art at the time the invention was made to have equal splits, or greater or less proportions as claimed, as desired, to conform to whatever sharing arrangements are commercially viable in the market place and acceptable by the parties.

As to claim 32 (dependent on claim 31) LANDAU discloses said commission processing module and enrollment processing modules are hosted by a network-connected clearinghouse server, separate from said enrolled e-commerce merchants (see at least Fig 7 and associated text: Essociate.com is such a clearinghouse server).

### **Conclusion**

10. Prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Khanh H. Le whose telephone number is 571-272-6721. The Examiner works a part-time schedule and can normally be reached on Tuesday-Wednesday 9:00-6:00.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Eric Stamber can be reached on 571-272-6724. The fax phone numbers for the organization where this application or proceeding is assigned are **571-273-8300** for regular

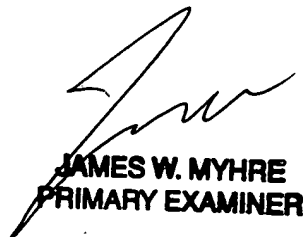
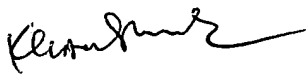
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communications and for After Final communications. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 571-272-3600. For patent related correspondence, hand carry deliveries must be made to the Customer Service Window (now located at the Randolph Building, 401 Dulany Street, Alexandria, VA 22314).

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

September 30, 2005

KHL



**JAMES W. MYHRE**  
**PRIMARY EXAMINER**